Memorandum

CITY OF DALLAS

DATE November 17, 2026

TO Honorable Members of the City Council Finance Committee: Chad West (Chair), Kathy Stewart (Vice Chair), Zarin Gracey, Maxie Johnson, Jesse Moreno, Jaime Resendez, Gay Donnell Willis

SUBJECT **December 9, 2026 City Council Agenda Item #26-3408A – Solid Waste Collection and Hauling Franchises**

The purpose of this memorandum is to provide information on an upcoming agenda item scheduled for City Council consideration on December 9, 2026, to authorize ordinances granting 27 solid waste collection service franchises pursuant to Chapter XIV of the Dallas City Charter and Chapter 18, Article IV, of the Dallas City Code.

Background and Overview

The City of Dallas requires private solid waste collection and hauling companies operating within city limits to obtain a franchise approved by City Council. These franchises establish the requirements under which private haulers may operate and provide a mechanism for the City to oversee compliance and collect franchise fees for associated use of the City's rights-of-way.

Before an application is submitted for City Council consideration, the Department of Sanitation Services reviews each applicant to ensure compliance with requirements, including business registration, insurance coverage, applicable City tax obligations, and prior financial obligations to the City.

There are currently 72 solid waste franchises in force and effect. The proposed action will authorize five-year franchise agreements for 27 companies that have satisfied all requirements, including nine renewals of existing franchises and 18 new franchises. Upon approval, the City will have a total of 90 authorized solid waste franchisees.

Franchise Requirements

In September 2024, City Council approved amendments to Chapter 18 of the Dallas City Code, including an increase in the solid waste franchise fee from four percent to six percent of gross receipts. The revised fee became effective April 1, 2025, and applies to revenue generated from solid waste collection services within the City.

The proposed franchise ordinances incorporate the updated requirements, including:

- Payment of franchise fees equal to six percent of gross receipts generated within Dallas.
- Compliance with quarterly reporting and payment requirements.
- Maintenance of required insurance coverage throughout the franchise term.
- City approval of ownership transfers or sales of assets.
- Compliance with applicable City ordinances and franchise provisions.

These requirements support consistent oversight of private hauling operations and accountability for franchise revenue owed to the City.

Fiscal Impact

The 27 proposed franchise agreements are projected to generate approximately $5.77 million annually for the City's General Fund, including approximately $500,000 in new revenue from first-time franchises.

Approval of this item will authorize the 27 companies to operate under the City's solid waste franchise requirements and support continued oversight and collection of associated franchise fees.

If you have any questions or would like additional information, please feel free to contact me at alina.ciocan@dallas.gov or the Director of Sanitation Services, Clifton Gillespie, at clifton.gillespie@dallas.gov.

Service First, Now!

Alina Ciocan
Assistant City Manager

c: Kimberly Bizor Tolbert, City Manager
Bertram Vandenberg, City Attorney (I)
Rory Galter, City Auditor (I)
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Baron Eliason, Inspector General
Dominique Artis, Chief of Public Safety
Dev Rastogi, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Robin Bentley, Assistant City Manager
Jack Ireland, Chief Financial Officer
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